

# Economic gain of 2010 Olympics a moving target

By Susan Wood

WHISTLER, British Columbia – When the 2010 Winter Games launch tonight, tourism officials and business owners may wonder how to put a price on hope and optimism – two mantras of the Olympic athlete.

From small village retailer to large hotelier, the economic gain in revenue to Whistler is so up in the air even its tourism agency admits to wishing it had hard numbers to justify millions of dollars spent in time, effort and infrastructure. All this is going on amid one of the worst global economic recessions.



Business people in Whistler are cautiously optimistic the Games will be a boon. Photos/Kathryn Reed

“The recession has increased the intensity of the competition Whistler faces (as a tourism destination) because travelers have less to spend and have more options on where to spend

their money," Tourism Whistler spokesman Jeff McDonald told *Lake Tahoe News*. "We are in competition with ski resorts and sun resorts all over the world."

Tourism Whistler predicts the lodging reservations for the 2009-10 season from November to April will increase at least 1 percent compared to the year before. Last year, the area was down by 12 percent as the global economic downturn took hold, McDonald added. The agency declined to provide what the actual numbers were.

The budget for this Winter Games was set at \$1.6 billion. As a comparison, host city Salt Lake City in 2002 had a \$3 billion budget with a \$76 million profit. Many host cities view prior Olympic years to get a benchmark. Most consider the tourism aftermath of those wanting to experience an Olympic city as one of the biggest benefits.

Tourism is one of the world's largest economic sectors. In Canada, the industry generated about 633,000 jobs in 2006, with industry expenditures reaching \$66.8 billion – a 6.5 percent increase over the prior year, according to a recent PricewaterhouseCoopers report.

Vancouver's gross domestic product is projected to grow 4.5 percent in 2010, the Conference Board of Canada indicated in its latest outlook. A rebound in housing and consumer spending is anticipated to accompany the overall boost of hosting the Olympic Games.

Employment, tax revenue and long-term facility investment have been considered economic advantages to the host cities. But these communities must also weigh those benefits with the impacts on the cultural heritage of the area, consumption of money as well as land and facility space, along with the transportation issues that accompany such events that attract the masses. The latter is called the "Olympic aversion" in which visitors avoid an area perceived as having crowds, jack

hammers and traffic delays.

The Vancouver Organizing Committee, with the help of Tourism Whistler, shot out of the starting gate when it won the bid in 2003 and went right to work on the infrastructure to create a pleasant buzz that the improvements would be an advantage to welcome the world, McDonald contends. He also added that Whistler dispelled the myth that host cities' prices are inflated, streets under constant construction and sidewalks and venues too crowded to move around.

(Note: When *Lake Tahoe News* was on the scene 2½ weeks ago, some venues were being worked on, construction was under way in Whistler Village, and finishing touches were being made to the Sea to Sky Highway, the main artery that connects the 90-mile stretch from Vancouver to Whistler.)

Many locals and regulars said the improvement to the Sea to Sky Highway has increased substantially, citing poor road conditions in the past.

"I think it's great we're getting the Olympics. We're really looking forward to it. The only concern is getting around," Marie Johnson of North Vancouver said, while standing in a guest relations line at Whistler Blackcomb ski area. She added feeling blessed to work in a home office.

This was a major concern when the Summer Olympics came to freeway-sprawling Los Angeles in 1984, but as it turned out, the traffic was better than ever because so many motorists altered their driving patterns.

Adaptability may be the name of the game. This may apply to parking. Whistler locals have already surrendered the idea of parking in town. The village may be packed with tourists, if they're not on the massive ski area that's 90 percent open to skiers and boarders during the Olympics.

The sold-out Fairmont Chateau Whistler is located next to the

slopes of Blackcomb, which has no Olympic venues scheduled but more than 32 feet of snow – the usual seasonal average – to accommodate riders. An 11-minute Peak-2-Peak Gondola ride can transport the skiers and boarders to Whistler where the men's and women's downhill as well as super G and giant slalom events are slated.

(The luge, bobsled and skeleton are in between the mountains outside the ski area boundary.)

Location, location, location. Two doors from the Fairmont in the Upper Village, waiter Charlie Watts of Merlin's restaurant expects to rake in a lot of tips from local customers seeking their ski experience with a little Olympic buzz at the same time.

"We're going to be a locals' bar," he said, while serving up the restaurant-bar's signature nachos with two drafts of Kokanee – Merlin's Olympic-sponsored beer. During the Games, the bar will cover the outdoor patio with a tent and host bands every day.

In the main Whistler Village, the well known Araxi restaurant reported being completely booked on Feb. 13 and 14, partly because those dates fall on Valentine's weekend.

The Summit Lodge and Spa on Main Street is completely booked during the Olympics with the exception of the last five days of the Games ending Feb. 28. But interest was building, and the lodging industry has caught on to this last-minute reservation trend, General Manager Rosemary Cook said in January.

Cook admitted the recession has had some impact on tourism, but people "still want to take a trip and still want to eat," she said. "Instead of staying at a 5-star or 4-star, they may want to go to a 3-star."

She runs cooperative advertising promotions with the Tourism

Whistler agency to make the ad dollars go farther. She also believes the Olympics can only help bring that tourism dollar around, but is unsure to what extent.

Cook is not alone in her cautious optimism.

"I don't think (the Olympics) can hurt, despite Whistler already being known – as long as we keep the snow, and it doesn't rain," said Mike Wheaton of Carumba restaurant located in the village. "We're hoping it will be like the Christmas rush."

Wheaton said the restaurant needs the boost because the pre-Olympic January lull cut into profits in a significant way.

Dan Ellis of Armchair Books in the village has gotten in the spirit of the Games by putting out Olympic-oriented coffee table books for the scores of tourists and Olympic workers he expects. He believes many locals will stay away, including people he knows from Squamish "leaving the craziness" of traffic and parking issues.

Scott Aldrich, Whistler Grocery Store manager, expressed more optimism about transit issues based on "the amazing bus system." The transportation agency running it has quadrupled the bus runs around the clock to accommodate the influx of riders.

Whistler Village Sports manager Jed Hague commended the local Housing Authority for infrastructure projects designed to give employees affordable housing through Olympic-oriented infrastructure improvements. Many travel to work from the nearby communities of Pemberton and Squamish and may find the commute harder during the Olympics.

"I think people are not sure what to expect, but that's very typical of the Olympics. But the snow is fantastic. Sure, there's an impact, but it's the Olympics. Get over it," Hague said.

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